



Arizona Department of Education

Office of Superintendent of Public Instruction Diane M. Douglas

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**Superintendent Douglas Calls Attention to Budget Issue That Could Prevent
Arizona Department of Education From Making Payments to Schools**

(Phoenix, Ariz., Jan. 19, 2017) – Arizona Superintendent of Public Instruction Diane Douglas today brought attention to an issue in the initial FY 2018 budget proposal that will render the Arizona Department of Education (ADE) unable to issue payments to schools on July 1 or earlier if left unchanged. The initial budget recommendation allocated zero dollars for the maintenance and support of ADE's information technology systems, including those responsible for determining school enrollment numbers and payments, which would cripple its ability to calculate and distribute funding.

"I certainly appreciate that Governor Ducey has made education a top priority in his budget, and I was very pleased to see that many of the ideas he has included are similar to the proposals in my 2017 AZ Kids Can't Wait! plan," said Superintendent Douglas. "Unfortunately, without any funding in next year's budget proposal to support the data system that allows us to collect enrollment information from schools and calculate their allocations, we will soon be unable to process the payments that support Arizona schools, teachers, and students."

In FY 2017, ADE received a one-time allocation of \$7.3 million in dedicated IT funding. If no additional money is provided through this year's budget process, ADE will be unable to pay for the basic software and network services required to operate the data system, much less support the continued development of a system that processes more than \$5 billion annually. The lack of funding also would have a devastating impact on more than 150 computer programs used daily by schools and ADE employees to support students.

Realizing that ADE's data system was at risk of going entirely unfunded without a new appropriation for FY 2018, the Joint Legislative Budget Committee also has identified the \$7.3 million in one-time spending allocated in FY 2017 as a possible retention candidate in the FY 2018 budget.

"We have discussed the issue with the Governor's Office and both members and staff at the Legislature, and I have every confidence that together we will ensure that our Department has the resources it needs to continue funding our schools," the Superintendent continued. "We cannot afford to jeopardize all of the work that has been done to create this state-of-the-art system, and we cannot leave our schools without the money they need to educate students."

If the IT budget is not fully maintained, schools will feel the effects to their funding as early as March, but no later than July 1. Since IT employees may begin accepting employment at other organizations, the performance of the IT applications that these workers maintain will begin to decline.

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